

An Evaluation of MGNREGA, 2005 with Special Reference To The State of Gujarat

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Abstract

This research paper aims at studying and analysing the initiatives of the government, the positive impacts and need to overhaul the Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA), 2005- the social security and employment guarantee scheme for the unorganised sector.

This paper makes an analysis into the intricacies of the scheme and stresses on the need for the continuation of the scheme in the following years as it has proved to be a lifesaver for millions of Indians.

However, for MGNREGA to realise its true potential there is an immediate need for effective implementation which will be possible by a persistent political will. The paper delves into the conflict of MGNREGA wages with the Minimum Wages Act, 1948 and states the lessons learnt so far and mechanisms that should be set in place for maximising results.

The paper also makes an empirical research to arrive at a result as to the divergence in perspectives of rural and urban population as to the implications and benefits of MGNREGA.

Keywords: *Social security, Agriculture, Minimum wages, Employment*

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a job guarantee scheme adopted for the rural Indians. The scheme was introduced in the year 2005 and the act was enacted in the same year. The scheme provides a legal guarantee for at least 100 days of paid employment in every financial year to adult members of any household willing to do unskilled manual work related to public work at the statutory minimum wage of 120 (US\$1.80) per day in 2009 prices. If they fail to do so the government has to pay the salary at their homes.

The main object of the act is to improve the purchasing power of semi- or unskilled rural people of India, irrespective of whether or not they fell below the poverty line. Around one third of the stipulated work force is women. The law was initially called the National Rural Employment Guarantee Act (NREGA) and was renamed with the prefix "Mahatma Gandhi" on 2 October 2009. The Act was notified initially in 200 most backward districts of the country w.e.f. February 02, 2006 and subsequently extended all over India in two phases: - it

was extended to additional 130 districts added in the financial year 2007-2008 (113 districts were notified with effect from April 1st 2007, and 17 districts in Uttar Pradesh (UP) were notified with effect from May 15th 2007). The remaining districts have been notified under MGNREGA with effect from April 1, 2008. Thus, the MGNREGA covers the entire country with the exception of districts that have a hundred percent urban population. The programme aims at enhancing livelihood security of the rural poor by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The Act seeks to create durable assets and strengthen the livelihood resource base of the rural poor. The choice of works suggested in the Act address causes of chronic poverty like drought, deforestation, soil erosion, so that the process of employment generation is on a sustainable basis.

OBJECTIVES OF THE ACT

The Mahatma Gandhi National Rural Employment Guarantee Act was enacted with some aim and goals. These goals are:

- To provide social protection for the most vulnerable people living in rural India by providing employment opportunities to them.
- To provide livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity.
- To have efficient drought-proofing and flood management in rural India
- Empowerment of the socially disadvantaged people, especially women, Scheduled Castes (SCs) and Schedules Tribes (STs), through the processes of a rights-based legislation.
- Strengthening decentralised, participatory planning through convergence of various anti-poverty and livelihoods initiatives.
- Deepening democracy at the grass-roots by strengthening Panchayati Raj Institutions.
- Effecting greater transparency and accountability in governance.

Thus, MGNREGA is a powerful instrument for ensuring inclusive growth in rural India through its impact on social protection, livelihood security and democratic empowerment.

STATEMENT OF PROBLEM

The employment generation schemes in India have varying degrees of success and failures. In this context, the MGNREGS was launched by Government of India (GOI) to have a direct impact on the rural households in terms of their increased opportunity for wage employment on one hand, and in creating livelihood assets in the farm and non-farm sector, on the other. However, the initial years of implementation of the MGNREGS suggests mixed experiences including successes/failures across districts and States. States like Rajasthan, Tamil Nadu and Andhra Pradesh have done reasonably well while Jharkhand, Uttar Pradesh and Bihar have not made satisfactory progress. In Karnataka, the performance is uneven. The variations in implementation have an implication for outcomes because there is a close relation between implementation and impact in the case of the MGNREGS. If it is implemented only partially, its major objectives would get easily defeated. For example, if a household is not provided the minimum of 100 days of employment and at the prescribed wages, the purpose of providing livelihood security would not be served. Moreover, the availability of employment for less than 100 days would have little impact on the seasonal migrant workers, who migrate for a period of about 60 to 100 days in search of wage employment. Needless to say, the success of the programme may largely depend upon the processes of its implementation. Undoubtedly, the

MGNREGA has addressed many weaknesses of the earlier programmes through the introduction of rights-based framework, time bound access to fulfil guarantee, incentive and disincentive structures, demand based resource availability, accountability and the like. However, there are still certain pertinent issues that need our attention. First, while the success of the scheme depends largely on people's awareness of the programme and their 10 active participation in the same, it is also equally important for the implementing agents like *sarpanchs*/ward members, block development officers and other government officials to be aware of the key provisions and procedures of the Act. It is, thus, necessary to assess the awareness level of various stakeholders regarding the scheme and the mechanisms of information dissemination.

Research Objectives

- (i) To understand the concept of MGNREGA as applicable in India.
- (ii) To evaluate the progress of the Act.
- (iii) To understand the drawbacks of the Act.
- (iv) To critically evaluate the implementation of the Act.

Research Questions

- (i) Has MGNREGA achieved the objective of ensuring 100 days of employment to rural youth?
- (ii) What are the problems in achieving the objectives?
- (iii) What is the effective mechanism for implementation of the Act?

Hypotheses

- 1) MGNREGA has not been able to achieve its objectives due to scarcity of funds and maladministration.
- 2) There is a difference in the approach of urban and rural population in respect to MGNREGA.

Research Methodology

The research study was made after undertaking both empirical and doctrinal research. Primary Sources - Questionnaire Method
Secondary Sources - Books, Journals, Reports of the Committee.

The empirical study was conducted in the capital city of Gujarat, i.e Gandhinagar.

Sample- The responses for the questionnaire were taken from 100 youth of Rural and Urban Area of Gandhinagar district. The responses were analysed by using the statistical tools to understand the perception of rural and urban population in respect of MGNREGA and to know the implementation of the scheme.

Limitations

In reference to the empirical research, the major limitation is that the field research is not exhaustive.

Literature Review

The case for MGNREGA and its immense potential bear very careful enunciation:

The delicate fabric of our democracy enshrines that our development model should be equity central. MGNREGA is in total consonance with this approach. Women constitute more than two-thirds of NREGA workers in Kerala (71%), Rajasthan (69%) and Tamil Nadu (82%) and less than the stipulated one-third in Assam (31%), Bihar (27%), West Bengal (17%), Uttar Pradesh (15%), Himachal Pradesh (30%) and Jharkhand (27%).¹ The women centric provisions of the Act give it a fuller meaning. The Act mandates that at least one-third of the

workers should be women and places no restriction on how each households' quota of 100 days is shared within the household which means that there is ample scope for women's participation. It also provides for childcare facilities.

Employment through MGNREGA has brought about a transcendental change in the opportunities and employment of women and helped them procure employment by overcoming invisible social constraints and acceptability. Employment opportunities for women in the private labour market are limited, irregular, poorly paid and can be hazardous. Moreover, MGNREGA also dissuades them from unnecessary migration. There is regularity and predictability of working hours, less chance of work conditions being exploitative. It therefore, is the best means to impact gender relations and improve the implementation of MGNREGA. For the longer term goals of gender equality to be realised, attention also needs to be paid to ensuring greater participation of women at all levels- as labourers, in NREGA worksite management and staff appointments and in participatory planning through participation in *gram sabhas*, social audits.

Another positive feature of MGNREGA is the obligation on states to pay unemployment allowance. This ensures that states do not withdraw from their socialist, welfare and legal mandate of providing employment as they would want to refrain from creating the burden of unemployment allowance on their exchequer, which thereby becomes an in built structure of incentive for performance and disincentive for non-performance for the state government.

Several states have come up with various technological means to accentuate the effectiveness of MGNREGA. Some such initiatives are:

Jammu and Kashmir government has asked its officers to ensure for setting up the Management Information System for efficient data handling. In a bid to check

¹ Reetika Khera and Nandini Nayak, "Women Workers and Perceptions of the National Rural Employment Guarantee Act," *Economic and Political Weekly*, Vol. XLIV, October 24, 2009, pp49-57

corruption in payment of MGNREGA wages, the Ranchi government plans to introduce videography during the payment process. Andhra Pradesh has established an independent and autonomous body under the name of Society for Social Audit, Accountability and Transparency (SSAAT) which is responsible for facilitating conduct of social audit by the rural poor. At the central level initiatives, provisions have been recently made to enter the Aadhaar number of each MGNREGA worker in the Management Information System (MIS) of the scheme.

The Issues and Challenges

Some critics of MGNREGA say that 'for whom politics is the profession and government power is the goal, welfare and the poor are the enablers'. The murder of Lalit Mehta in Chhattarpur laid bare the brutal consequences of the contractor-bureaucracy-politician nexus that has sprung up around the MGNREGA in Jharkhand. Tapas Soren's² (a tribal who self-immolated himself) fate reveals a different consequence of the same fact. Corruption in the social audit of MGNREGA had claimed Niyamat Ansari, who exposed corruption by middlemen in Latehar district. A deep contradiction at the heart of MGNREGA implementation exists. The state of corruption seems institutionalised and regularised.

There are instances of deliberate non-payment. The State machinery tries to evade the payment of unemployment allowances. One major escape route is to provide work within 15 days of an application being made, but only for a few days.

In the high migration districts of Orissa, it is being felt that mere 100 days per family is not enough to halt people leaving their villages in search of work. If people feel this is not enough work, they will migrate irrespective of NREGA.³

MGNREGA has a weak grievance redressal system. Whatever provisions exist, for example compensation for delayed wages, obligation to make grievance redressal Rules, etc. have been ignored or undermined in practicality.

Also in the operation of the NREGA, wages are decided in terms of agricultural wages when the actual work provided is necessarily non-agricultural work. The minimum wage is far from the living wage.

Those who are registered for NREGA are mustered just for attendance and since there is no work to be done they go home, thus paid for no or little work. MGNREGA may foster tendencies of shift of people from self-employment to the social security net.

² Anish Vanayak, "NREGA and the Death of Tapas Soren," *Economic and Political Weekly*, July 2008., , pp 8- 10.

³ J Krishnamurthy, "Employment Guarantee and Crisis Response," *Economic and Political Weekly*, March 4 2006 , pp 789-10.

Central Employment Guarantee Council (CEGC) which is supposed to oversee the working of NREGA at the national level is dysfunctional and has failed to fulfil its mandate.

At this juncture, it is important to address the three biggest issues raised to discredit the act — human resources, corruption, and productive assets. Every scheme, act or processes have their limitations and lacunas but these need to be seen the light of the innumerable advantages which the scheme otherwise provides. MGNREGA is in a nascent stage and effective control mechanisms will substantially cause the benefits to be far-reaching, overshadowing the drawbacks.

Some other challenges are:

Employment Crash- Over the past five years, there has been a major crash in the scale of MGNREGA employment. It has become difficult for the implementing authorities to provide the sufficient number of jobs to the people under the scheme.

Budget Constraints -The Central Government funds the wages to be paid to unskilled MGNREGA works and 75% of the material costs; the rest is paid by the State government. Every year, a certain allocation is made for MGNREGA in the Union Budget, but if required the Central Government give funds over and above this allocation, as the program is meant to be demand driven. There should not be any delay in the payments and the unemployment allowances.

Delay in Wage Payments- As per data available, 70% of the MGNREGA wages were paid with delay (more than 15 days after the completion of a week's work) in 2014-15; 64% of the delayed payments were made more than a month late. In Punjab and West Bengal, the proportion of delayed payments was higher than 90%.⁴

Shrinking Rights- Since, MGNREGA was enacted 10 years ago, several entitlements of workers have been curtailed. Like MGNREGA is no longer linked to Minimum Wages Act. The MGNREGA wage is now fixed at the discretion of the Central Government. As a result, in several States, MGNREGA wage is lower than the States' minimum agriculture wage. The initial MGNREGA guidelines required the implementation of the programme to be consistent

⁴ See http://mnregaweb4.nic.in/netnrega/dynamic2/dynamicreport_new4.aspx Accessed on 28th May 2019

with the Persons with Disabilities Act, which mandates spending 3% of the funds for the benefit of persons with disabilities. This requirement was subsequently done away with.

Violation of Entitlements- Workers are not only facing dilutions, but their MGNREGA entitlements are also violated. Most of the workers who are denied work are also unable to secure the unemployment allowance. There is also the unavailability of the proper basic hygienic conditions of work at the workplace. There is a denial of basic human rights to the workers under MGNREGA.

THE ISSUE OF MGNREGA AND THE MINIMUM WAGES ACT, 1948

The current steaming conflict highlights many interesting issues relating to employment, empowerment and poverty reduction. This discussion first came in the light of the order of the Andhra Pradesh High Court in WP No. 11848/2009 wherein it suspended the January 2009 notification on freezing the minimum wage for NREGA. The High Court stated that Government being the agency for implementing minimum wages cannot itself violate the minimum wages. In addition, governments of Tripura, Karnataka, Punjab, West Bengal, Madhya Pradesh and Himachal Pradesh had also requested an amendment of the January 2009 notification as their state minimum wages were above the notified wage rate. Both the Government of India and the state Government of Andhra Pradesh are facing contempt proceedings since.

In continuance to that, the Supreme Court has refused to stay a recent Karnataka High Court verdict that has said the central government is liable to pay higher wages under the country's flagship rural employment programme in tandem with that of the state minimum wage rate. The case, *Karnataka Prantaya Raita Sangh v Union of India*⁵ very categorically states that the type of work to be provided by MGNREGA is covered under the Minimum Wage Act, 1948. Minimum Wage Act is a special Act and its implications and effects cannot be nullified by using a non obstante clause in Section 6 of MGNREGA.⁶

⁴2012 LAB.I.C. 1131

⁶ Wage rate. (1) Notwithstanding anything contained in the Minimum Wages Act, 1948 (11 of 1948), the Central Government may, by notification, specify the wage rate for the purposes of this Act: Provided that different rates of wages may be specified for different areas: Provided further that the wage rate specified from time to time under any such notification shall not be at a rate less than sixty rupees per day.

The viability of a national (statutory) minimum wage has been debated for several years now. One of the chief objections to such an idea has been that since the cost of living is subject to regional variation, any national minimum wage would be set at the lowest common level and would lead to a downward effect on states with higher minimum wage levels. While the indexing of NREGA wages is welcome, a uniform all-India wage has meant that in several states the NREGA wage will be lower than the minimum wages for comparable work that are currently determined by each state government under the Minimum Wages Act, 1948. At present, there is no parity between the two rates. If the NREGS wage is Rs. 100 in Rajasthan, the minimum wage in the state is Rs. 135. In Kerala, the minimum wage is Rs. 175, while NREGS pays Rs 120. The rural development ministry now has the option of issuing a notification saying the states can enforce their minimum wages for NREGS or defreeze the Rs.100 wage it had prescribed and link it to CPI-AL.⁷

Related to this issue is the manner in which wage rates are fixed under the MWA and NREGA. Wages under the MWA are determined by each state government, and vary for different skill levels and for the different employments to which the law applies. The logic of having differential wages that are not only state specific but which vary according to the skill level and nature of employment. It therefore comes as no surprise that wages in agriculture the lowest wages in many states, and are often not linked to the price index.⁷

The current position taken by the central government is that a state government is free to pay the difference in the wages since the centre needs only to bear the wages payable under the NREGA. This position is untenable when the state government is under a constitutional mandate to pay a minimum wage. Further, this also goes against the principle of administrative relations in a federal constitution, particularly Articles 256-58 which can result in a dispute in connection with the extra burden occasioned upon a state while giving effect to a central or existing law it is obliged to implement.

(2) Until such time as a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum Wages Act, 1948 (11 of 1948) for agricultural labourers, shall be considered as the wage rate applicable to that area.

⁷See <http://www.business-standard.com/india/news/sreelatha-menon-nrega-vs-minimum-wages-act/413258/>. Accessed on 7th May 2019.

The MGNREGA wage rate was linked to the CPIAL in 2011-12 at the directive of Prime Minister Manmohan Singh, who had turned down the recommendation of National Advisory Council chairperson Sonia Gandhi to provide minimum wages to MGNREGA workers. The revision in the wage rate indexed to the Consumer Price Index for Agricultural Labour (CPIAL) will come into effect on April 1 and will prevail for the year 2012-13. The revision is a paltry Re.1 in the case of a poor State like Odisha — from Rs.125 (2011-12) to Rs.126 for the next financial year, which means a negligible increase of 0.80 per cent. The maximum is Rs.30 in the case of Karnataka, where MGNREGA workers will now get Rs.155 as against the prevailing rate of Rs.125, 24-per-cent increase.⁸

The Pronab Sen committee, set up to come up with a separate index for MGNREGA wages, is still to submit its report.

Analysing the Success And Failures

Supporters of the scheme have harped that it is demand driven but making a reality check makes it obvious that it is essentially not “demand driven”. There is dearth of work and the programme is thus affected by unavailability of work.

Since the employment and poverty situation may be changing over the course of a year due to unanticipated events, there could be situations where people who do not possess a job card need work immediately. One such situation is where a disaster has occurred and many households which are normally above poverty find their assets have disappeared or income sources have dried up. It is essential, in this kind of situation to use and modify MGNREGA to suit the needs of the disaster prone area.⁹

Introducing the use of technology at a pan India level is a prerequisite. Andhra Pradesh has shown at all stages of NREGA work, from registration of workers to issue of job cards, preparation of work estimates to muster rolls, can be very effectively computerised and managed. Other states should take a cue and implement the same so as to make this scheme successful in word and in spirit.

A key area where professional inputs are required is in reforming the Schedule of Rates (SoR). On the basis of a careful study of SoRs of nine NREGA states have shown

⁸ See <http://www.thehindu.com/news/national/article3247684.ece>. Accessed on 8th May, 2019.

⁹ Supra at 3

that SoRs currently in use make mechanisation and the use of contractors almost inevitable and payment of minimum wages virtually impossible.¹⁰

The National Advisory Council has suggested the appointment of *loksewak*, who would help in social audits. The another major lesson that needs to be learnt is that it is a wrong notion that MGNREGA has adversely affected agriculture.

It needs to be emphasised that better coordination by the levels of governments with the gradual expansion of the programme covering more districts would lead to increased outlays and one would hope that the programme effectiveness will increase with experience, particularly in poorer states.

Ministry of Rural Development report entitled MGNREGA Sameeksha (2012): An Anthology of Research Studies on the Mahatma Gandhi National Rural Employment Guarantee (2005) Act 2006–2012 points out the discrepancy in the data reported by Management Information System (MIS) and the National Sample Survey-NSS data [July 2009–June 2010]. Speaking on these differences, the Sameeksha report suggests that more national level survey-based studies are required to verify the authenticity of MIS data.¹¹

Emperical Research:

To effectively analyse the issue of the success/failure of MGNREGA, an empirical research was undertaken. The samples of 100 people's opinion each from both the rural and urban background from 2 different areas. The Findings are as follows-

¹⁰ Vijay Shankar, P S, Rangu Rao, NiveditaBanerji and Mihir Shah , "Government Schedule of Rates: Working against Rural Labour," *Economic and Political Weekly*, April 2009.

¹¹See<http://www.im4change.org/news-alert/unreliable-mgnrega-data-raises-doubts-questions-16788.html>.

Accessed on 8th May, 2018.

Findings:

A) Awareness about the Scheme

Rural-60% people were aware about the scheme. Urban-50% people were aware about the scheme.

B) Opinion about MGNREGA

Rural-40% were beneficiaries, 60% were non beneficiaries

- a) 70% of the beneficiaries stated that MGNREGA is useful and should be continued as it has given more jobs and improved wages and should be extended by the state government to provide more no of days of job.
- b) 20% of the beneficiaries stated that MGNREGA is a scam and should be discontinued.
- c) 10% of the beneficiaries have stated that if misuse and corruption is plugged it can be successful in future.
- d) 90% of the non-beneficiaries stated that it has unjustifiably increased the price of labour and should be discontinued.
- e) 5% of the non-beneficiaries stated that it has increased inflation.
- f) 5 % had no opinion

C) Success of MGNREGA-

Rural Population-

50% of rural population believes that it is not successful.70 % of the urban population stated that it has failed in its objective.

D) Nature of Scheme

- a) 50% stated that it is a good scheme which should be continued as it gives job to people near their homes and should be extended by the state government.
- b) 20% stated that it has no usefulness and is a scam.
- c) 8% stated that it has led to inflation
- d) 22% stated that it could have been a good scheme if well implemented.

E) Types of safeguard that will make MGNREGA more effective.

Rural-63% voted that the Village head man's authority should have been given to the Gram Panchayat.

- a) 30% stated that transparency measures should have been there.
- b) 67% voted for addition of more projects.
- c) 43% stated that accountability of executive officers could have made this scheme successful. Urban- 7% stated that village head-man's authority should be vested in Gram Panchayat. 75% stated that transparency measure should have been there.
- d) 27% stated that more projects should have been included.
- e) 96% stated that executive accountability could have made the scheme a success.

F) Mode of Information- For Awareness of MGNREGA

Rural-30% people came to know about the scheme through Radio/Television, 5% through Newspaper, 20% by Village Officials, 44% through other villagers, 1% by grass root add campaign. Urban-70% came to know about the scheme by TV/Radio.30% by Newspaper.

G) Mode of Payment of Wages-

Rural-20% of the beneficiaries stated that they only work for the village head man as he pays in cash and a little higher than the prevalent wage rate. 20% of the non-beneficiaries stated that the village head man has grown rich by this programme. 60% of the beneficiaries stated that it has given them job and better wages.

SUGESSTIONS:

Millions of our people are hungry, cynical and insecure and therefore it is pertinent to focus on the reach and quality of our political and economic processes and phenomenon and bring about their effective implementation to realise their full utility. There is thus a need for modifications and amendments in the existing Act so that it fructifies to a greater level. To enable the same,

the government has decided to discuss the agenda of increasing the working days from 100 to 150 in the forthcoming meeting of Empowered Group of Ministers.¹²

MGNREGA provides a unique opportunity for rural labourers to organise. Conversely, building strong workers' organisations for effective recognition of worker rights is an essential condition for the success of the MGNREGA. The Jagrut Adivasi Dalit Sangathan (JADS) in Badwani district in Madhya Pradesh is an example.

There should also be an oversight mechanism to guard against the possibility of the intention of the scheme being frustrated by caste-based politics.

Basic amenities like drinking water, shade for kids and first aid, though stated in letter need to be provided in actuality. The Ministry is considering the possibility of paying bonus to workers engaged under MGNREGS, besides extending the facility of provident fund (PF) to them.

There is also a need for fast track and mobile courts to address the grievance. Data reporting needs to be made genuine and authentic.

To overcome these shortcomings, the scheme is undergoing an overhaul based on a set of recommendations of committee headed by Planning Commission member Mihir Shah. Mihir Shah panel was set up to strengthen synergy between the Mahatma Gandhi National Rural Employment Guarantee Act and rural livelihood, especially farming. Encapsulated in The Mahatma Gandhi National Rural Employment Guarantee Act 2005 - Operational Guidelines 2012 in what is being called "MGNREGA 2.0", the recommendations aim for creation of durable assets and an increase in farm productivity, greater efficiency, overcoming major complaints such as delays in payments of wages and develop mechanisms to eliminate the scope of corruption under the programme. It increases the ambit of works. 28 new work lists out of 30 suggested are agriculture based. The report puts forth that delay in payment should be considered a punishable offence under section 25 of the Act. It suggests that states can adopt an integrated fund management system called eFMS (Electronic Fund Management System and prepare Labour Budget.

Recommendations:

- 1) There is a need of proper planning. It is one of the most important variables in MGNREGA. NAREGA is a demand driven programme, it is expected that Gram panchayats have to identify their own needs to create infrastructure or assets for their community and they should put their demand in proposal and get it sanctioned from block and district administration.

¹² Press Trust of India, "EGoM to consider raising MNREGA work days to 150 next week," 8th May 2019.

- 2) People participation in decision making process is a crucial aspect of decentralised planning. The MGNREGA has given power to Gramsabhas to discuss the issue at local level and come out with solution to implement the MGNREGA in more effective way.
- 3) The awareness plays an important role in policy or program implementation and its success. The people need to be made aware about the same.
- 4) NAREGA is a demand driven program. The wage seekers should have put their demand and it becomes the responsibility of Gram Panchayat and Gram Sewaks to forward it to the block panchayat to get it approved. There is a need to take this initiative by the people themselves.

Conclusions and Suggestions

MGNREGA is an attempt of the government to take steps for poverty alleviation and it recognises employment as a legal right. It is this scheme that has given people, the largest economic resource in our country amounts of work and plenty of dignity and independence. Workers have testified that guaranteed employment has enabled them to fight many battles including a system of oppression where they have no choice but to acquiesce to forced labour, indebtedness and the indignity of having to beg for survival. Without meaningful evaluation of the utility of the assets created, policy makers make assertions about useless work. They should see that several-thousand water harvesting structures have been built in the most eco-friendly manner possible, rural roads have connected some of the poorest, most inaccessible hamlets, millions of dalits, land allottees and BPL families have converted wasteland into productive plots through MGNREGA work.

What MGNREGA critics need to understand is that achieving full employment is neither tenable nor sustainable and is a utopian idea. Unemployment serves to discipline workers, who may not fear being laid off in an environment of full employment.

The Ministry of Rural Development and Panchayati Raj have three big challenges before it-

- a) to ensure minimum wages to NREGAS workers;
- b) draft precise social audit rules and set up an independent organization/ institution for holding social audits everywhere on the lines of Andhra Pradesh, and;

restore the institutional involvement of the civil society in social audits and put a stop to the practice of village Panchayats auditing their own work. Once these are tackled, MGNREGA will be the biggest success that the world will witness. The lack of administrative and political will needs to be fought against.

c) at all levels to realise the true potential. Responsibility and ethical confirmations need to be intertwined to bring about a highly successful result.

Having become the centrepiece for India's reform, this scheme will become the cornerstone of a large transformation. Attention must be paid by the government towards effective implementation to ensure that these important benefits are not scuttled.

MGNREGA is undoubtedly fulfilling its role of enhancing economic security. In a society with strict norms of patriarchy it is remarkable that women are being employed. MGNREGA has experienced varying degrees of success in different parts of the country and the best is yet to come. The three major achievements of the programme: rising rural wages, reduced incidence of distress migration, and creation of community assets which is a commendable effort.

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